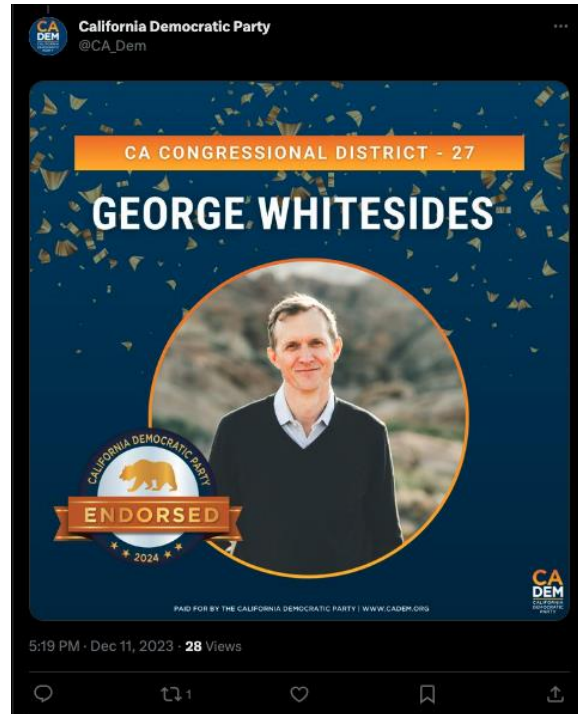


George Whitesides is endorsed by an organization that supports gutting Proposition 13, which could raise property taxes by as much as \$12 billion per year, forcing many businesses to close.

Whitesides Is Endorsed By An Organization That Supported Gutting Proposition 13

- **NOTE:** The NRCC IE ran an [ad](#) during the CA-25 special election which said Smith supported “gutting” Prop 13.

Whitesides Is Endorsed By The California Democratic Party. (California Democratic Party, [Twitter](#), 12/11/23)



(California Democratic Party, [Twitter](#), 12/11/23)

According To The ‘Business And Economy’ Section Of The 2022 Platform, The Party Wants To Require “That All Corporate-Owned Commercial Properties With Manufacturing Plants And Massive Rental Properties, Malls, And Retail Sales Properties Be Assessed At The Current Market Value To Ensure An Equitable And Fair Tax System For The Public.” “Require that all corporate-owned commercial properties with manufacturing plants and massive rental properties, malls, and retail sales properties be assessed at the current market value to ensure an equitable and fair tax system for the public.” (2022 Platform, [California Democratic Party](#), 2022)

Under Proposition 13, Property Is Reassessed To Its Fair Market Value Only When There Is A Change In Ownership Or New Construction Event. “Under Proposition 13, property is reassessed to its fair market value only when there is a change in ownership or new construction event.” (Craig A. Becker, Richard E. Nielsen, Breann E. Robowski, “The Split-Roll Initiative Is Poised to Rock California’s Property Tax System,” [Pillsbury](#), 06/29/20)

- **Proposition 13 Currently Applies To Commercial And Industrial Properties In The Same Manner As Residential Properties.** “Proposition 13 applies to commercial and industrial properties in the same manner as residential properties.” (Craig A. Becker, Richard E. Nielsen, Breann E. Robowski, “The Split-Roll Initiative Is Poised To Rock California’s Property Tax System,” [Pillsbury](#), 06/29/20)

The Loss Of This Assurance Would Increase The Burden On Small Businesses, Impact Jobs, Deter Future Growth, And Ultimately Increase The Cost Of Living As Much Of The Additional Property Tax Is Expected To Be Passed On To Consumers. “The loss of this assurance would increase the burden on small businesses, impact jobs, deter future growth, and

ultimately, increase the cost of living in California as much of the additional property tax is expected to be passed on to consumers.” (Craig A. Becker, Richard E. Nielsen, Breann E. Robowski, “The Split-Roll Initiative Is Poised To Rock California’s Property Tax System,” [Pillsbury](#), 06/29/20)

Small Businesses And Renters Will Likely Be Hit The Worst By The Initiative As Landlords Will Simply Pass On The Increased Property Tax To The Tenant. “Small businesses and renters will likely be hit the worst by the Initiative as most are triple net tenants, meaning the landlord will simply pass on the increased property tax to the tenant. The Initiative does not include any reassessment protections for small businesses who rent.” (Craig A. Becker, Richard E. Nielsen, Breann E. Robowski, “The Split-Roll Initiative Is Poised To Rock California’s Property Tax System,” [Pillsbury](#), 06/29/20)

Opposition To A Split Roll Property Tax Is A Fundamental Concern For Small Business Owners, Commercial Property Owners, As Well As For Industrial And Manufacturing Facilities. “CAWA’s leadership voted to oppose the California Schools and Local Community Funding Act - an initiative proposal for a split roll property tax - which is a constitutional amendment that has qualified for the November 2020 ballot. CAWA has strong concerns that discrimination against businesses through a split roll proposal will hurt CAWA member businesses as well as their employees and customers thereby having a negative impact on the entire economy in California. ‘Opposition to a split roll property tax is a fundamental concern for small business owners, commercial property owners, and industrial and manufacturing facilities, all representative of CAWA members’, stated Rodney Pierini, CAWA President & CEO.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

A Split Roll Tax Would Remove Some Of The Protections Put In Place By Prop 13 From Nonresidential Properties In Order To Raise Taxes

A Split Roll Would Remove Some Of The Protections Of Prop 13 From Nonresidential Properties In Order To Raise Taxes. “According to the California Chamber of Commerce, “Split roll” means applying a different tax formula, either tax rate, reassessment frequency, or vote requirement, to commercial and industrial properties than are applied to residential properties. Proponents of a split roll would remove some of the protections of Proposition 13 from nonresidential properties in order to raise taxes.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

- **Prop 13 Limited Total Taxes To 1% Of The Property’s Value, And Any Increase To A Maximum Of 2% Per Year.** “Proposition 13 brought a halt to all that-limiting total taxes to 1% of the property’s value, and any increases to a maximum of 2% per year. California voters passed the constitutional amendment by a nearly 2 to 1 margin, and solidified property tax reasonableness and predictability.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)
- **It Would Require The Reassessment Of Business Property To Fair Market Value Every Three Years.** “Some key provisions of the initiative include: Requires all business property to be reassessed to fair market value, beginning on the 2022-2023 lien date. The Legislature may phase in this requirement over three years.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

A Split-Roll Could Raise Business Property Taxes By As Much As \$12 Billion Per Year, Prevent Businesses From Hiring New Employees, And Force Many Businesses To Close Or Relocate To A Different State

Split Roll Could Increase Business Property Taxes Between \$7.5 Billion To \$12 Billion Per Year. “Increases business property taxes by \$7.5 billion to \$12 billion a year, according to the Legislative Analyst.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

- **A Split Roll Tax Would Apply A Different Tax Formula To Commercial And Industrial Properties Than That Applied To Residential Properties.** “A tax roll is the official list of all the properties to be taxed. ‘Split roll’ means applying a different tax formula, either tax rate, reassessment frequency, or vote requirement, to commercial and industrial

properties than that applied to residential properties.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

The Split Roll Tax Could Prevent Businesses From Hiring New Employees And Potentially From Keeping Existing Ones. “An almost \$11 billion split roll tax increase will prevent businesses from hiring new employees and, potentially, from keeping existing ones. The stability and predictability brought by Proposition 13 has allowed California businesses to compete nationally despite the high cost of doing business in this state.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)

A Split Roll Tax Could Force Many Businesses To Close Or Relocate To A Different State. “A split roll tax will force many to close or relocate to a state that welcomes business investment.” (Press Release, “CAWA Opposes California Split Roll Initiative,” [CAWA](#), 6/2/20)